



Cover Memorandum/Staff Report

File #: 22-1462

Agenda Date: 11/15/2022

Item #: 6.G.

TO: Mayor and Commissioners
FROM: Missie Barletto, Director Public Works
THROUGH: Terrence R. Moore, ICMA-CM
DATE: November 15, 2022

APPROVE RESOLUTION 175-22 AND GRANT AGREEMENT WITH THE STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (FDEP GRANT 22SRP60), FOR PROVIDING SUPPLEMENTARY FUNDING UNDER THE RESILIENT FLORIDA PROGRAM, FOR THE TROPIC ISLE ROADWAY AND UTILITY IMPROVEMENT PROJECT IN THE AMOUNT OF \$19,800,000.

Recommended Action:

Motion to Approve Resolution 175-22 and execute a grant agreement with the State of Florida Department of Environmental Protection (FDEP GRANT 22SRP60), Division of Resilient Florida Program, for providing supplementary funding for the Tropic Isle Roadway and Utility Improvement Project in the amount of \$19,800,000, Project No. 19-015.

Background:

The City of Delray Beach Public Works Department (City) is responsible for the maintenance of the roadways within the Tropic Isle neighborhood. Over several years, these roads have experienced uneven surface wear of the roadways, excessive sinkholes, asphalt cracking, and accelerated deterioration which has adversely impacted roadway drainage and driveability. The deterioration of the roadways has caused an increase in maintenance costs and has shortened the lifespan of the roadways. A recent engineering evaluation of the subsurface soils showed evidence of muck underneath the roadways which is the leading factor in the roadway deterioration. In addition to the subsurface investigation, a utility assessment was conducted which determined that both the water and sewer infrastructure was more than 50 years old and nearing expected lifespan. The Public Works recently completed a street evaluation study of a majority of the neighborhood streets. The study recommended avoiding disturbance of existing muck soils. The neighborhood borders the Intracoastal Water Way (ICWW) and is also susceptible to flooding from high tides and projected sea level rise. The City considered high tides and 20-30 year sea level rise projection within the seawall vulnerability study and the updated stormwater master plan.

The Tropic Isle neighborhood is located immediately east of Federal Highway, bordered by Linton Blvd on the north, the ICWW on the east, and the C-15 Canal on the south. The City Public Works Department has identified infrastructure improvements in the Tropic Isle neighborhood as a priority in the Capital Improvement Plan (CIP). These improvements include roadway paving, stormwater management, water main, sanitary sewer and lighting improvements. The area includes a total of approximately 5.75 miles of roadways.

On September 13, 2021 the City of Delray City Commission (City) approved retroactively the Resilient Florida Grant Program from the Florida Department of Environmental Protection (FDEP) on

August 31, 2021 for funding considerations for the Tropic Isle Roadway and Underground Utility Improvements Project.

It is anticipated that this construction project will take three years to complete. Initial Funding in the amount of \$33,000,000 (Initial Estimated Costs: Year 1: \$11 million, Year 2: \$11 million, and Year 3: \$11 million; Subject to Change) is being requested as grant funding through the FDEP (\$19,800,000 from FDEP and \$19,800,000 from City). It is anticipated that the construction portion of the project will begin in October 2024 and end in March 2026. The Public Works Department will be responsible for operating and maintaining the proposed project. The City's match portion will be partially funded through the following sources: Stormwater Fund - \$4.034 million; Water & Sewer Fund - \$6.574 million and General Construction Fund = \$9.192 million. It is estimated that the required funding will be spread across the 3 years for construction phasing, which will require an approximate annual contribution of \$3 million from the City's General Fund. The other remaining funds (Stormwater and Water & Sewer) will cover their respective portions from user fees.

Per the City's Administrative Policies and Procedures Manual, Policy BF-24, Grant Administration Policy and Procedure, all grant applications must be approved by the City Commission. Therefore, Public Works requests the Commission to accept the FDEP Grant 22SRP60, authorize the Mayor to execute the agreement for the City and the City Manager to execute any amendments and/or renewals to effectuate this agreement.

City Attorney Review:

Approved as to form and legal sufficiency.

Funding Source/Financial Impact:

This FDEP Grant is a 50% Matching Grant. Construction Funds in the amount of \$19,800,000 will be requested for in FY 2024.

Timing of Request:

This request is time-sensitive as it keeps the project on schedule.